

Department of Defense



End-to-End Procurement Process

Michael Williams
DRID #47 "Core Group" Co-Chair



End-to-End Procurement Process

How We Got Here . . .

Eliminate Unmatched Disbursements and Negative Unliquidated Obligations

“Single Point of Data Entry”

Move ahead with systems and technologies already on-hand

MRM #2, Moving to a Paper-free Contracting Process by January 1, 2000

Reengineer Contract Closeout and Source Acceptance Policies and Procedures

DRIDs #32 and #33

DCMC and DFAS co-chair an “end-to-end” procurement process review for the future shared data environment

DRID #47, End-to-End Procurement Process, December 9, 1998



End-to-End Procurement Process

Scope of Our Effort

- Define the “To Be” End-to-End shared data environment for the DoD procurement process, including:
 - Requirements
 - Solicitations
 - Awards and modifications
 - Acceptances
 - Payments
 - Contract Closeout
- Address process dependencies, integration requirements, information requirements, and responsibilities
- *Take advantage of business process improvement and reengineering opportunities*

DRID #33

DRID #33

DRID #32



End-to-End Procurement Process

DRID #47 “Core Group” Members

Co-Chairpersons

Mr. Ken Sweitzer, DFAS

Mr. Mike Williams, DLA-DCMC

Members

Army

Phillip Carney, SARDA
Kathy Miller, ASA-FM

Navy

Gale Williams, EA-21
Mike Buchko, OASN(FM)

Air Force

Katherine Ekborg, SAF/AQC
Kathy Miller, ASA-FM

DLA

Greg Ellsworth, DLA-DLSC
Barbara Shaffer, DLA-FO

DFAS

Dennis Idol, DFAS HQ
Pat Cobb, DFAS HQ

DCAA

Joe Garcia, DCAA HQ

More →



End-to-End Procurement Process

DRID #47 “Core Group” Members (2)

DISA

Melissa McGinness, D41
Lisa Boeckmann, DITCO-Scott AFB

USD(A&T)

Craig Curtis, ODUSD(AR)

DUSD(L)

Roberta Peek, ODUSD(L)/LRO
Jim Kimberly, ODUSD(L)

JECPO

Miles Holtzman
Bruce Propert

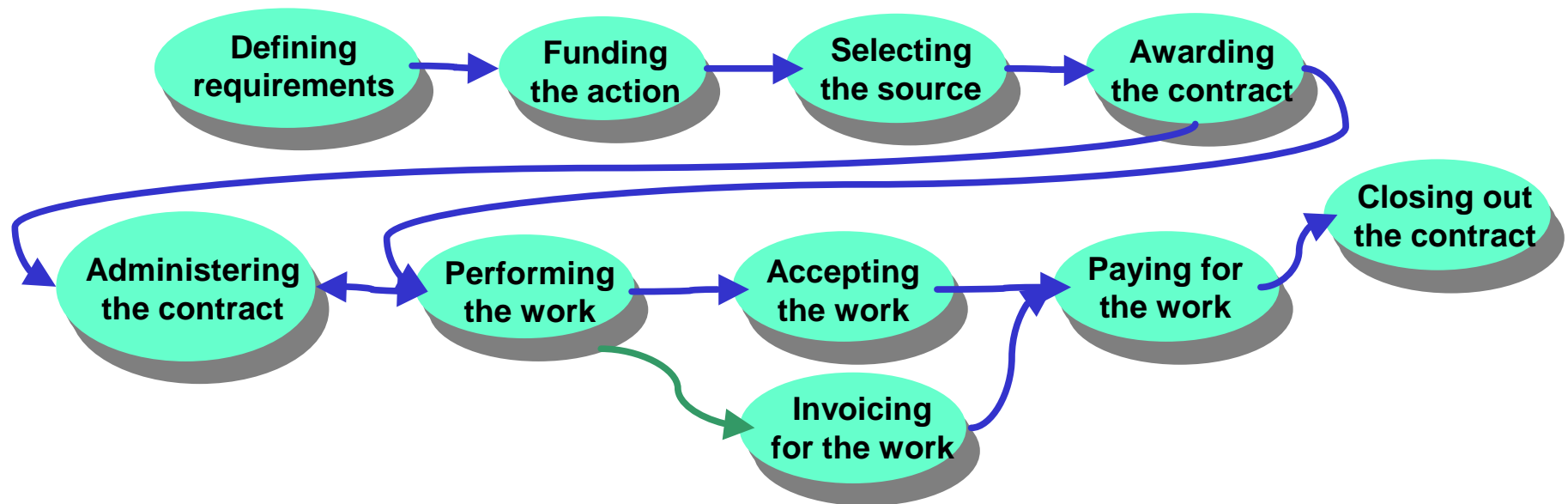
And, many
working group
members, too!





End-to-End Procurement Process

The End-to-End Procurement Business Process





The flowchart illustrates the contract lifecycle with the following steps in sequence: Defining requirements, Funding the action, Selecting the source, Awarding the contract, Administering the contract, Performing the work, Accepting the work, Paying for the work, Invoicing for the work, and Closing out the contract. The steps 'Funding the action' and 'Accepting the work' are circled in red. A red arrow points to 'Funding the action' with the text 'Here!', and another red arrow points to 'Accepting the work' with the text 'And, here!'. A green arrow connects 'Awarding the contract' to 'Administering the contract', and another green arrow connects 'Performing the work' to 'Accepting the work'. The word 'And' is written at the bottom left of the diagram.

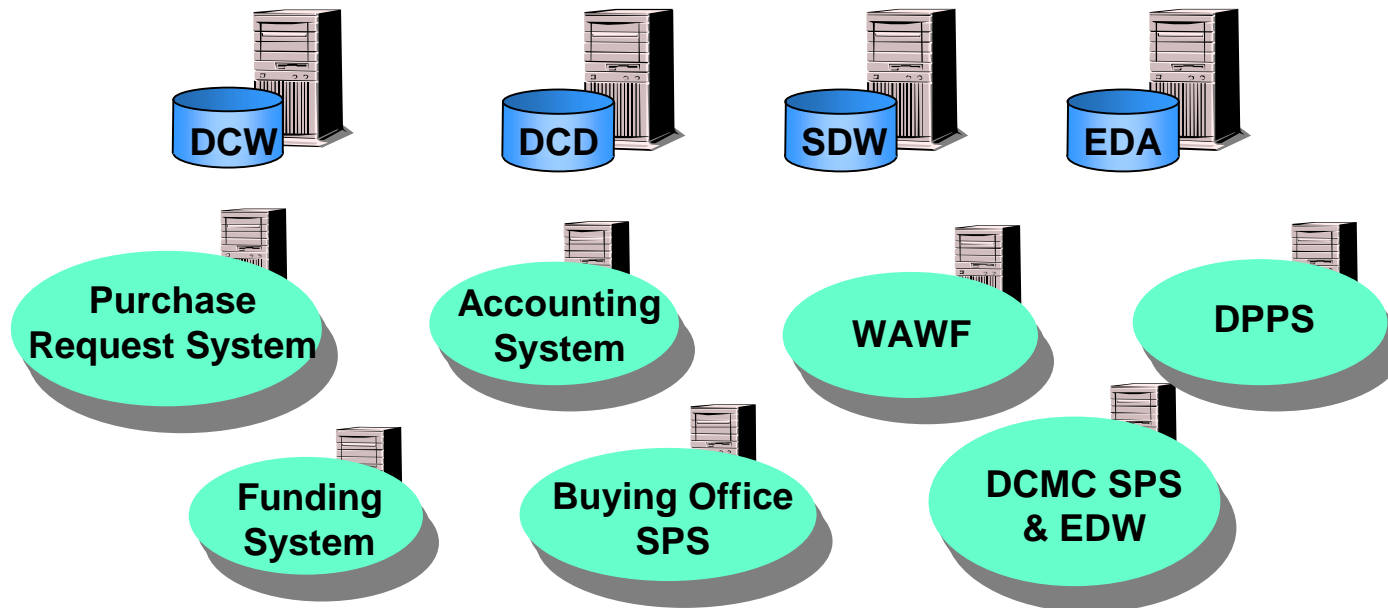
And . . .

- ***Using the results from the DRIDs #33 and 32 study groups . . .***
- ***Plus, our own ideas to overcome those challenges . . .***
- ***While recognizing the opportunities offered by IT to reengineer and improve business processes and subprocesses!***



End-to-End Procurement Process

IT Systems Supporting the End-to-End Business Process



They open doors for reengineering!



End-to-End Procurement Process

IT Enables Business Subprocess Reengineering

Examples:

Reengineering . . .

Funding
the action

Accepting
the work

Closing out
the contract

Enabled by . . .

Accounting
System

DCD

WAWF
DD250s/Invoices

WAWF
Closeout

Developed by . . .

End-to-End
Phase I

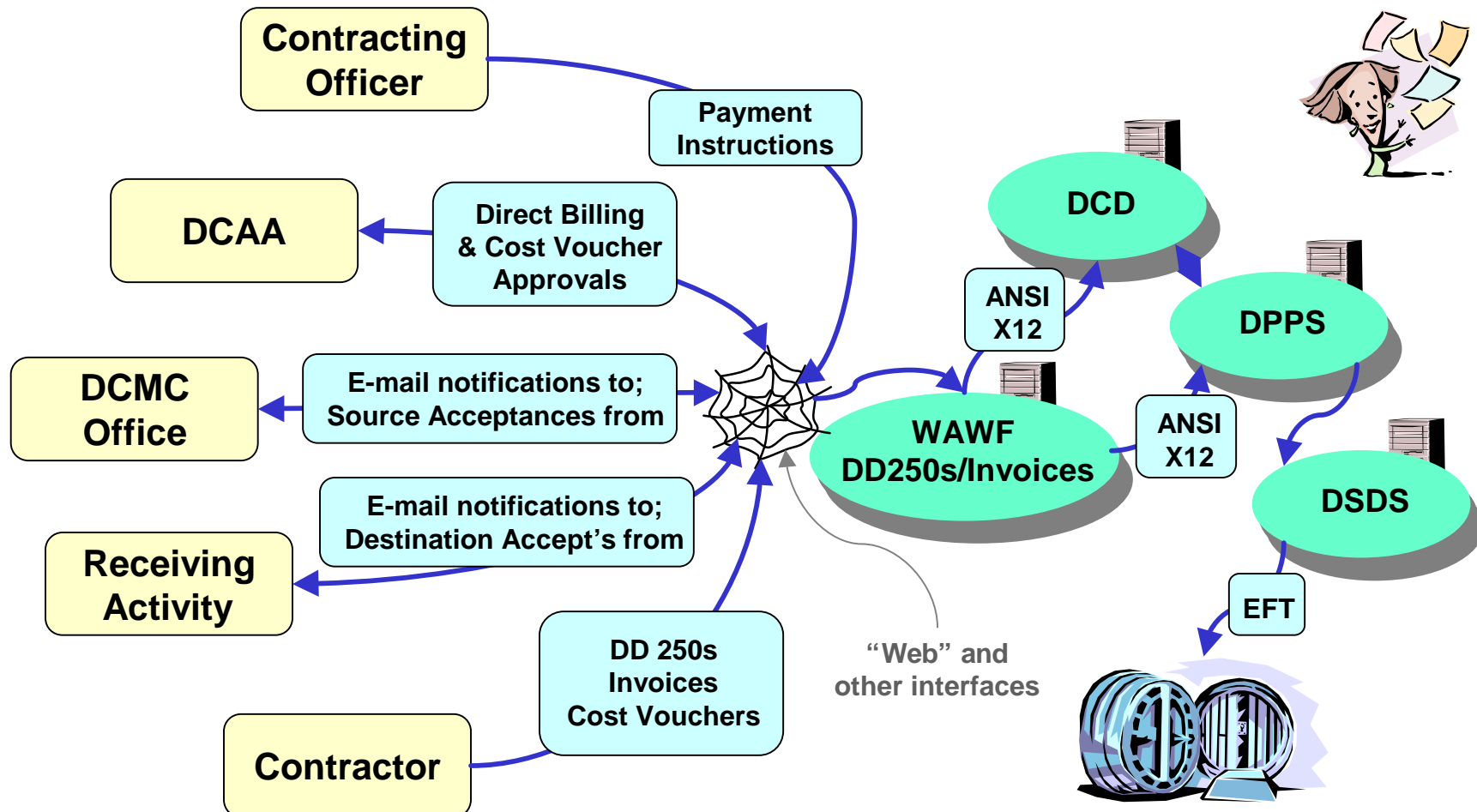
PC-WIPT

DRID #32



End-to-End Procurement Process

Reengineering Example

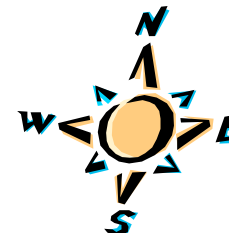




End-to-End Procurement Process

Basic Approach

- Describe the To-Be Procurement Process Flow
 - ◆ Develop Process Model
 - ◆ Describe Inputs/Outputs
 - ◆ Identify Transfer Mechanisms
 - ◆ Develop Systems Maps
- *Incorporate recommendations and findings from DRIDs #32 and #33 study groups!*
- Develop implementation recommendations
- Provide final report to Paperless Contracting Overarching IPT and DRO





End-to-End Procurement Process

End-to-End Timeline

- **Phase 1 - Model Template**
 - ◆ “Process” Subject Matter Experts (SMEs)
 - **Phase 2 - Develop Process Model**
 - ◆ “Technical” Data Exchange SMEs
 - **Phase 3 - Detailed “To-Be” Model**
 - ◆ As many levels of indenture as needed
 - ◆ Smaller Group of SMEs
 - **Phase 4 - System Cross-Walk**
 - **Phase 5 - “Final Polishing” Session**
 - **Develop Reports and Briefings**
- | | |
|--|---|
| | November 17-19 |
| | December 8-10 |
| | January 5-7
January 25-27
February 16-18 |
| | March 3-5 |
| | March 25 |
| | Early April |



End-to-End Procurement Process

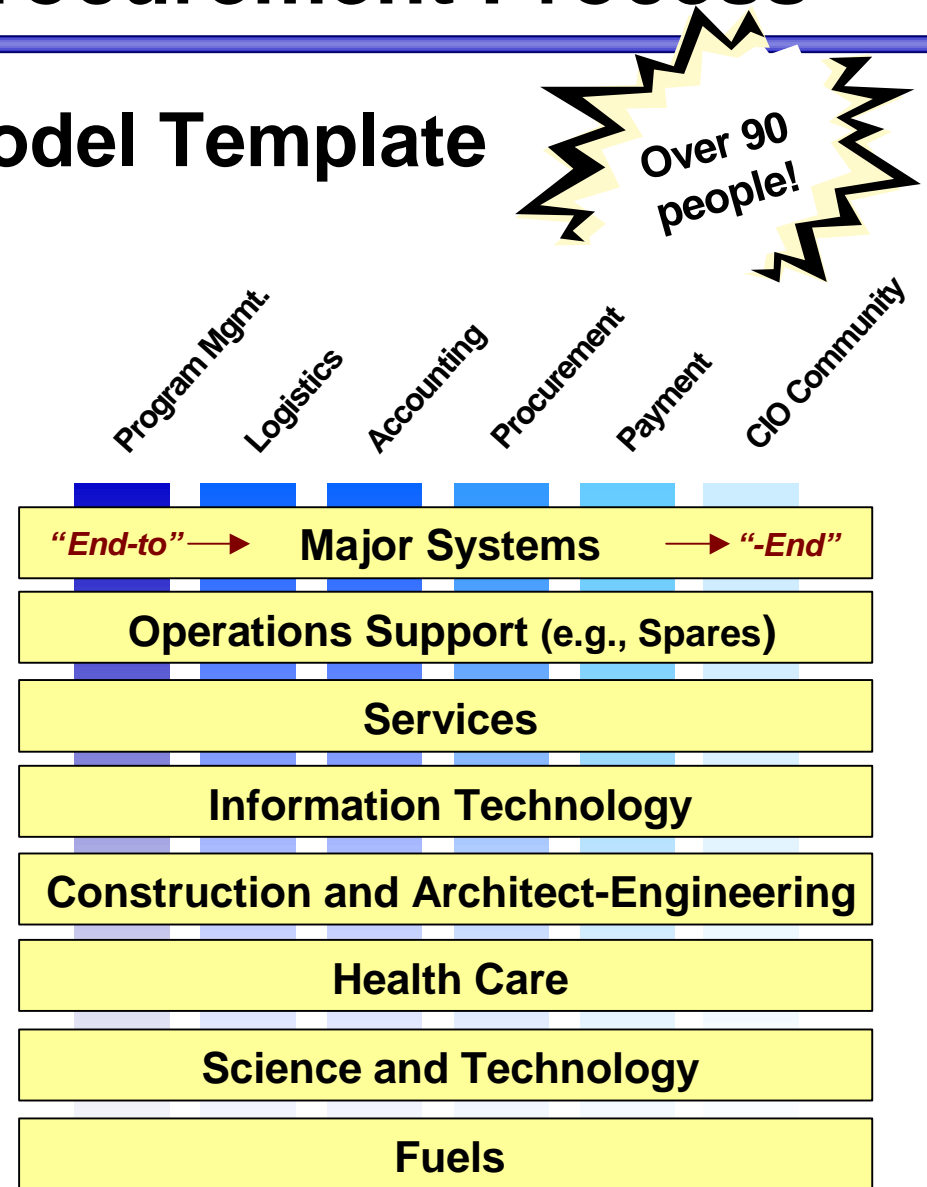
Phase 1 - Model Template

How we went about it . . .

“What we buy drives how we buy!” is what we heard from field practitioners . . .

So, we broke up into sub-groups organized by “types” of buying . . .

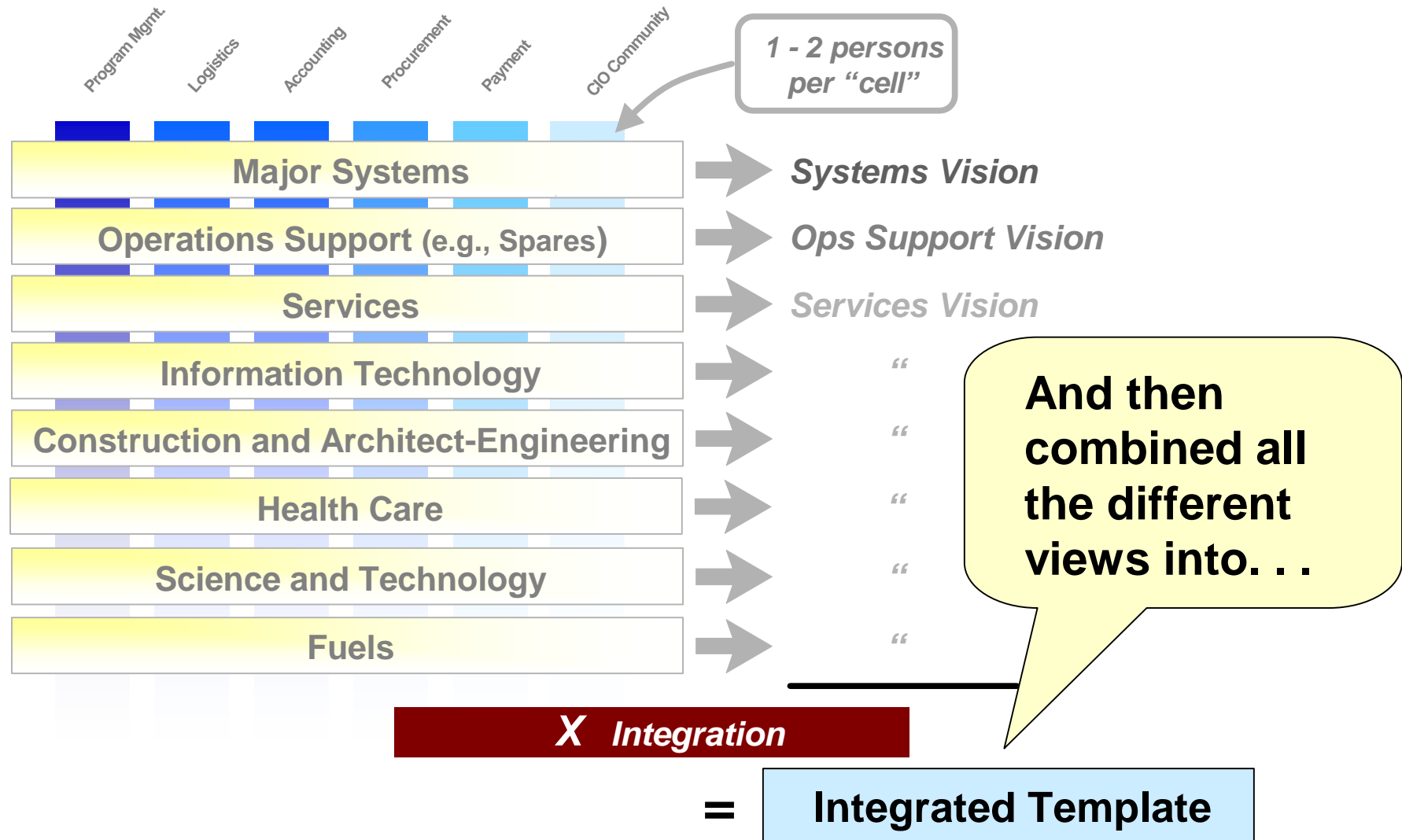
And went for an “end-to-end” view for each one of those!





End-to-End Procurement Process

Phase 1 - Model Template





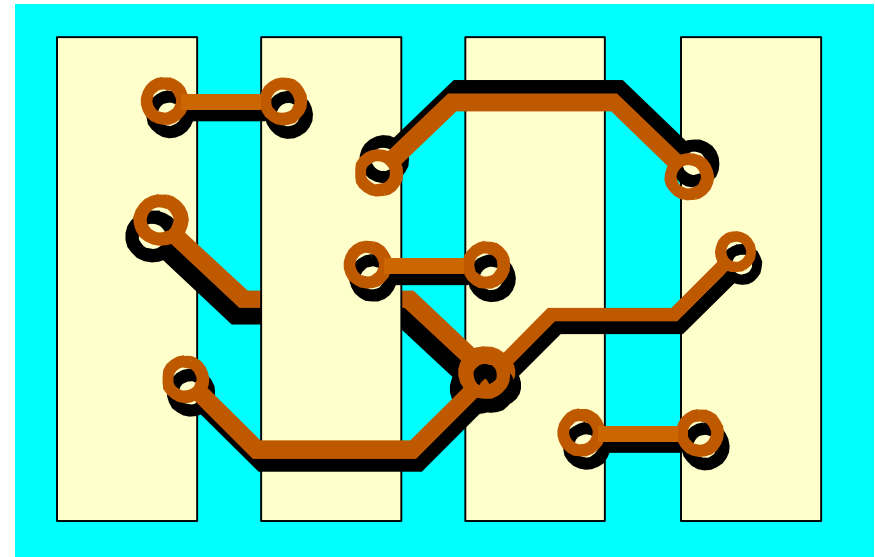
End-to-End Procurement Process

Phase 2 - Process Model

How we went about it . . .



- We went “vertical” . . .
- Divided into four subgroups:
 - ◆ Procurement Planning
 - ◆ Pre-Award
 - ◆ Post Award
 - ◆ Receipts and Payments
- Concentrated on the “wiring diagram” connections between the different parts of the process!





End-to-End Procurement Process

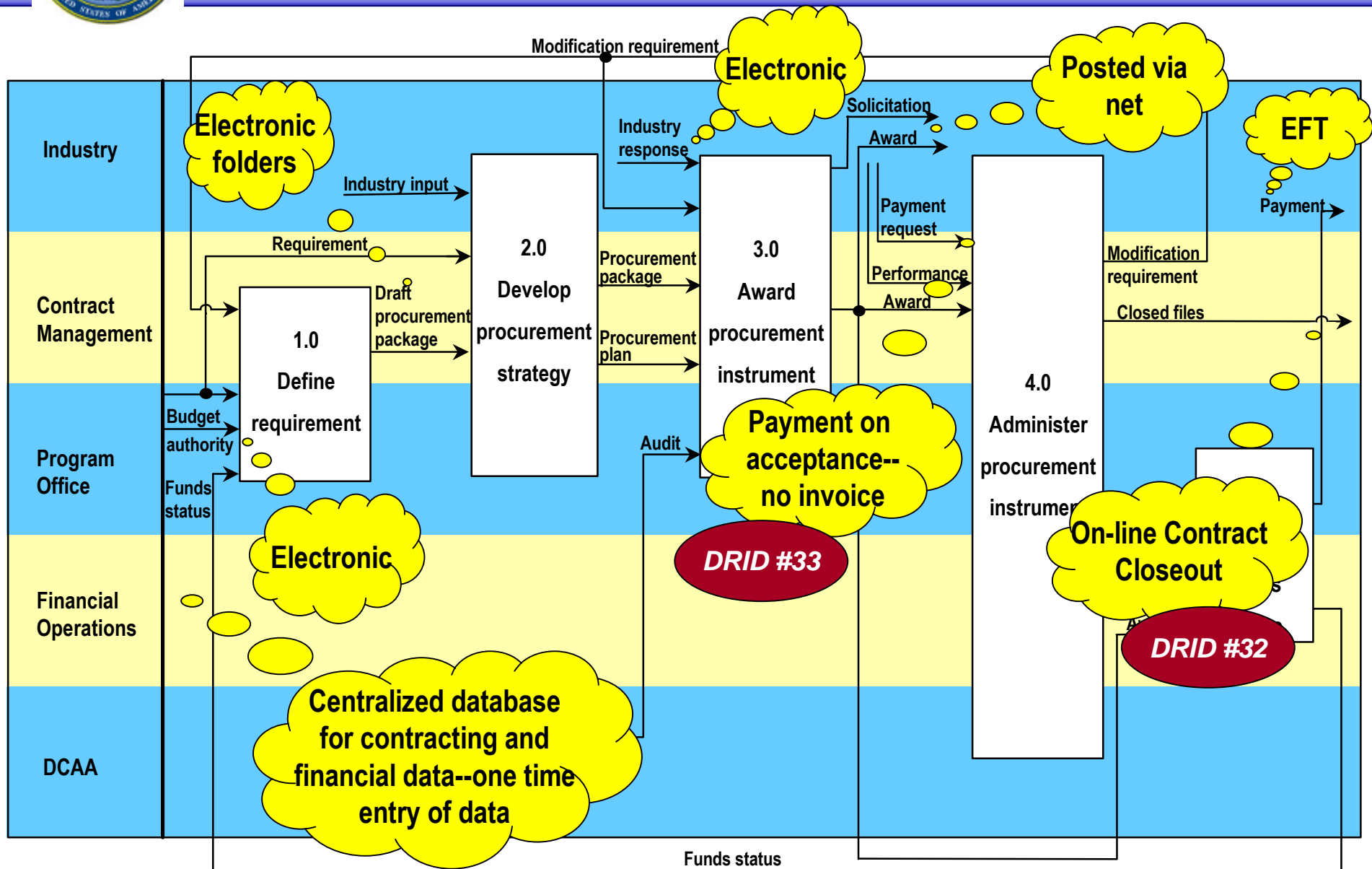
Phase 3: Several Sessions - Detailed Model

- Smaller group of functional experts with good knowledge of SPS, DPPS, DFAS Corporate Database, etc.
- Integrated Phase 1 and 2 results . . .
- Incorporated improvement ideas . . .
- Documented the business rules . . .
- Developed . . .
 - ◆ “To-Be” Process Model
 - ◆ “To-Be” Process Inputs/Outputs and Systems Maps





End-to-End Procurement Process





End-to-End Procurement Process

Phase 4: Systems “Crosswalk”

Dialogue with “To Be” Systems “Owners” . . .

- “Reality check” the “To Be” recommendations . . .
- Identified missed improvement opportunities . . .
- *Came away with a better product, and clear understanding of the “To Be” process flow and information requirements!*





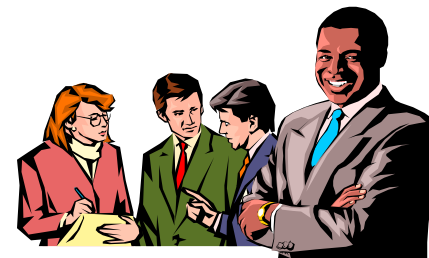
End-to-End Procurement Process

Phase 5: Final “Polishing”



Dialogue with previous phase participants . . .

- “Final” walk-through of Process Model and Systems Maps . . .
- Feedback on improvement ideas and recommendations . . .
- *Begin results presentation process!*

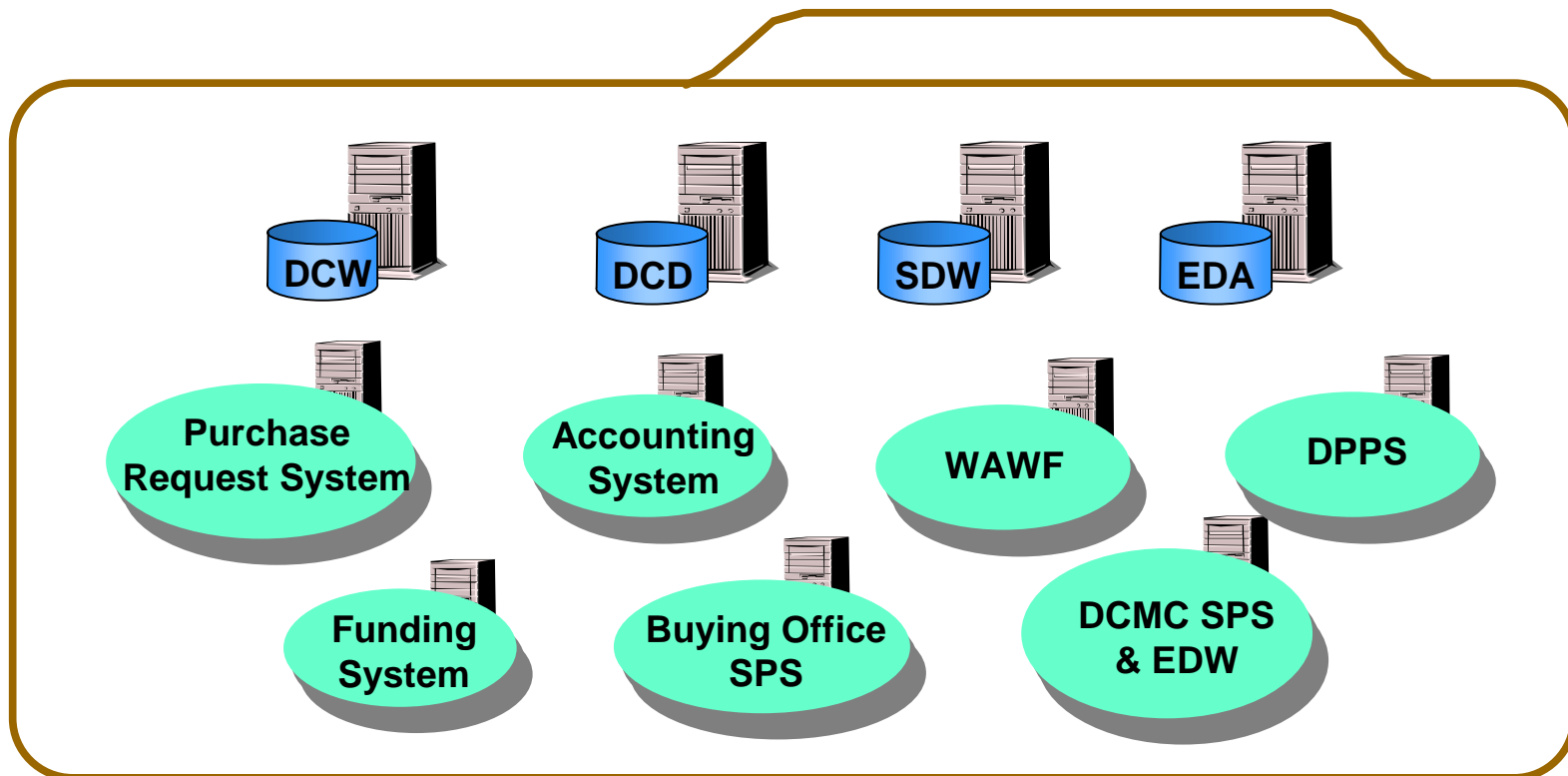




End-to-End Procurement Process

One major conclusion:

These need to be managed as a “Portfolio”!



- ◆ *They cross functions, cross Services and agencies . . .*
- ◆ *Danger they won't interface, and schedules won't mesh!*



End-to-End Procurement Process

Portfolio Management

- End-to-End process model is a vision of future shared data environment
- Systems and Interfaces will **“evolve”** to meet vision
- Requires integrated management concepts
 - ◆ Cross-functional interdependencies
 - ◆ Interfaces and data flow
 - ◆ Change control management
 - ◆ Technology insertion
- Implementation oversight at multiple levels
 - PC OIPT Programs Requirements



End-to-End Procurement Process

End Products

- **Final Report**
 - ◆ **Introduction**
 - ◆ **“To-Be” Process Map**
 - ◆ **“To-Be” Process Description**
 - ◆ **“To-Be” Input/Output Descriptions**
 - ◆ **Information Transfer Mechanisms**
 - ◆ **“To-Be” System Maps**
 - ◆ **Issues and Recommendations**
 - ◆ **Implementation Considerations (next steps)**
- **Briefing**



End-to-End Procurement Process

Implementation

- **Addressed in DRID #47**
 - ◆ Implementation under PSAs
 - ◆ Integration under DoD CIO (PC OIPT)
- **Implementation via Portfolio Management**
 - ◆ Coordinated system development
 - ◆ Integration/Interface management
- **Recommendations in Final Report**
 - ◆ DoD CIO (PC OIPT) as Executive Board
 - ◆ Form Implementation IPT under PC OIPT
 - ◆ Services/Agencies represented
 - ◆ System PMOs represented



End-to-End Procurement Process

Let's get started!

